

# The Local Choice Health Benefits Program

2004 Regional Meetings

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[www.thelocalchoice.virginia.gov](http://www.thelocalchoice.virginia.gov)

# Current Status

## Total Group

- 226 Groups
- 23,000 + Employees
- 38,000 + Total Insureds

# Group Sizes

## 1 to 3,000 Employees

- 55% Have Fewer than 50 Employees
- 36% between 50 and 300 Employees
- 9% Have More than 300 Employees
- \$109 Million + Claims and Expenses in FY 2003

# Carriers and Plans

For Active Employees and Early Retirees

- Key Advantage
- Key Advantage Expanded
- Cost Alliance with Dental
- KeyShare
- KeyShare Expanded
- Value Alliance

Plus Fully Insured Regional Plan(s)

- Kaiser Permanente HMO

# Understanding Your Benefits

- Three important things you need to know about your benefits program for July 1 (or October 1).
  - ✓ Plans Remain Basically the Same
  - ✓ Administrative Changes Will Occur
  - ✓ Some Plan Administrators Will Change

# Why are we making these administrative changes?

- Required Periodic Procurement
- Keep the program consistent with COVA where possible.
- Keep Administration Cost Low
- Improve Program Quality

# Plans Remain Basically the Same

- Copayments, coinsurance, deductibles and out-of-pocket limits are not changing. Covered services also remain the same
- You will use benefits at your doctor, dentist, pharmacy or mental health professional in the same way

# Administrative Changes

- Effective July 1 (or October 1)
  - ✓ Key Advantage and Cost Alliance Products-Benefit Year for Deductibles, Out-of-Pocket Limits and Covered Services Change from Calendar Year (January 1 – December 31 ) to Fiscal Year (July 1 – June 30)
  - ✓ Value Package Plans Eliminate Deductible from Routine PAP, Mammograms and PSA Testing
  - ✓ Stand-Alone Retiree Factor Decreases from 2.65 to 2.0

# What Do These Administrative Changes Mean to You?

- Medical and Behavioral Health Benefits
  - ✓ In Same Plan, Satisfied Deductible or Out-of-Pocket Expenses *Carry Over* to New Benefit Year.
  - ✓ New Fourth Quarter Deductible Carry Forward
  - ✓ Plan Maximums for Routine Wellness, Chiropractic Care and Other Annual Limit Benefits Are Refreshed

# What do these administrative changes mean to you?

- For Dental Benefits
  - ✓ Annual Maximum Will Start Over on July 1 Benefit Year.
  - ✓ If You Have Already Reached Annual Maximum, You Will Receive an Additional \$1200 for Basic Dental or Expanded Dental in the New July 1 Benefit Year.

# Administrator Changes

## Currently...

- Medical and vision: *Anthem BC/BS*
- Dental: *Anthem BC/BS*
- Prescription drugs: *Medco Health through Anthem*
- Behavioral Health and Employee Assistance Program (EAP): *Magellan Behavioral Health*

## On July 1 (or October 1)....

- Medical and vision: *Anthem BC/BS*
- Dental: *Delta Dental Plan of Virginia*
- Prescription Drugs: *Medco Health Services (direct)*
- Behavioral Health and EAP: *ValueOptions*



# Four Separate ID Cards Will Be Issued

Each Administrator Will Provide its  
own ID Card for Our Participants.

# Anthem

## Blue Cross and Blue Shield

### Draft ID Card

<b>Anthem.</b>  			
<b>THE LOCAL CHOICE MEDICAL</b>			
<b>JANE M. DOE</b>			
Identification No. <b>YTV123456789</b>		Card Issue Date <b>06/15/04</b>	
Group No. <b>471000001</b>	BS Plan <b>923</b>	BC Plan <b>423</b>	Covered Since <b>12/01/93</b>
COB <b>YES</b>	Type <b>EMP/SPOUSE</b>	Post Office Box 27401 Richmond, Virginia 23279	
----- PLEASE FOLD ALONG THIS LINE-DO NOT DETACH -----			
<b>COST ALLIANCE WITH DENTAL</b> <b>NO OUT-OF-NETWORK COVERAGE</b> <b>NO REFERRAL REQUIRED</b> <b>PRIMARY/SPCLST COPAY \$20/\$35</b> <b>OUTPT HOSP/SURG COPAY \$75/\$100</b> <b>INPT HOSP \$100/DAY MAX \$500</b> <b>CONTACT DELTA FOR DENTAL;</b> <b>MEDCO FOR RX; VALUEOPTIONS FOR</b> <b>MNTL HLTH; ANTHEM FOR MEDICAL</b>			
<b>IMPORTANT PHONE NUMBERS ON BACK</b>			
<b>Only medical benefits are administered by Anthem Blue Cross and Blue Shield. For all other benefits not administered by Anthem, contact the appropriate administrator directly.</b>			
<b>Anthem Provider Contacts:</b> <b>Virginia Providers</b> - Call 1-800-533-1120 for eligibility and coverage information and admission review. Use the routine Anthem Blue Cross and Blue Shield claim filing procedure. <b>Providers Outside Virginia</b> - Call 1-800-676-2583 for eligibility and coverage information and admission review. Use your local Blue Cross and Blue Shield plan's claim filing procedure.			
<b>Anthem Member Contacts:</b> <b>Anthem Member Services</b> 1-800-552-2682 outside Richmond (804) 355-8506 in Richmond <a href="http://www.anthem.com">www.anthem.com</a>			
<small>Anthem Blue Cross and Blue Shield is the trade name of Anthem Health Plans of Virginia, Inc. © An independent licensee of the Blue Cross and Blue Shield Association. Registered marks Blue Cross and Blue Shield Association.</small>			

# Medco Health Solutions

## Draft ID Card

COVA - #7562 - (3-2-04)

8000  
[www.medcohealth.com](http://www.medcohealth.com)

**medcohealth**  
live life well

RxBIN: 610014  
RxGrp: CMWLTH1  
Issuer:  
ID No.: 1234567890  
Name: JOHN Q SAMPLE



7562.pcx

#### Members:

- This card must be presented at a participating pharmacy when purchasing prescription drugs.
- To locate a participating pharmacy, or for more information about your prescription benefit plan, please visit our website at [www.medcohealth.com](http://www.medcohealth.com) or call Member Services at 1-800-365-4279.

*This card should be used for prescription benefits only. Other benefits are administered by:*

- \* Medical - Anthem Blue Cross and Blue Shield
- \* Routine Vision and Hearing (if applicable to your plan) - Anthem Blue Cross and Blue Shield
- \* Mental Health/Substance Abuse/Employee Assistance Program - Value Options
- \* Dental - Delta Dental

*Please submit the appropriate ID card to access these benefits.*

**Pharmacists:** Submit claims via the TelePAID<sup>®</sup> System only for the person for whom the prescription was written. Dispense preferred co-branded and generic drug products where applicable in accordance with prevailing pharmacy laws and regulations. For more information contact the Pharmacy Services Help Desk at 1 800 922-1557 or visit the Pharmacist Resource Center at [www.medcohealth.com/vph](http://www.medcohealth.com/vph).



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# Delta Dental Plan of VA

## Draft ID Card



Commonwealth of Virginia

Name: First Middle Last

ID #: AN-AN-AN

Group: ANNNNNN-NNNNNN-NNN

Plan: COVA Care Basic Dental

Membership: Family

BENEFIT SERVICES # 888-335-8296



Commonwealth of Virginia

Name: First Middle Last

ID #: AN-AN-AN

Group: ANNNNNN-NNNNNN-NNN

Plan: COVA Care Basic Dental

Membership: Family

BENEFIT SERVICES # 888-335-8296

**TO PLAN SUBSCRIBER:** This card should be used for The Commonwealth of Virginia COVA Care dental benefits only. Other COVA Care benefits are administered by:

- Medical – Anthem Blue Cross and Blue Shield
- Routine Vision and Hearing (if applicable to your plan) – Anthem Blue Cross and Blue Shield
- Mental Health/Substance Abuse/CSAP – Value Options
- Prescription Drugs – Medco

Please insert the appropriate ID card to access these benefits.

**TO DENTIST:** Please be sure to include the Subscriber Identification Number appearing on the face of this card when submitting a claim. Payment of benefits will be based on the patient's eligibility at the time of service.

FOR CLAIMS RELATED INFORMATION, PLEASE FORWARD TO:



Delta Dental Plan of Virginia

4818 Starkey Road, S.W. Roanoke, VA, 24054  
Internet Address: [www.deltadentalva.com](http://www.deltadentalva.com)

**TO PLAN SUBSCRIBER:** This card should be used for The Commonwealth of Virginia COVA Care dental benefits only. Other COVA Care benefits are administered by:

- Medical – Anthem Blue Cross and Blue Shield
- Routine Vision and Hearing (if applicable to your plan) – Anthem Blue Cross and Blue Shield
- Mental Health/Substance Abuse/CSAP – Value Options
- Prescription Drugs – Medco

Please insert the appropriate ID card to access these benefits.

**TO DENTIST:** Please be sure to include the Subscriber Identification Number appearing on the face of this card when submitting a claim. Payment of benefits will be based on the patient's eligibility at the time of service.

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4818 Starkey Road, S.W. Roanoke, VA, 24054  
Internet Address: [www.deltadentalva.com](http://www.deltadentalva.com)

ValueOptions, Inc.

Draft ID Card

Not Available at this time.

# Health Benefits Administrator

- **Anthem Blue Cross and Blue Shield –**  
Medical and Vision
  - ✓ Benefits remain basically the same
  - ✓ Anthem Virginia Network Continues.
  - ✓ BlueCard still applies for Key Advantage and Key Share
  - ✓ Same Member Services telephone number (355-8506 in Richmond and 1-800-552-2682 outside Richmond)
  - ✓ Same web site ([www.anthem.com](http://www.anthem.com))

# Dental Benefits Administrator

- **Delta Dental Plan of Virginia**
  - ✓ Dental benefits remain basically the same
  - ✓ Delta Dental has a national network, including 2,500 dentists in Virginia Premier Network
  - ✓ All Payments made to Provider whether in or out of network
  - ✓ New Web site ([www.deltadentalva.com](http://www.deltadentalva.com)) to search network
  - ✓ New telephone number (1-888-335-8296)

# Prescription Drug Administrator

- **Medco Health Services - Prescription Drugs**
  - ✓ Same Medco Health Network of Retail Pharmacies
  - ✓ Same Home Delivery Service
  - ✓ No Change to Copayments
  - ✓ New Telephone Number (1-800-355-8279)
  - ✓ New Web site for Tier and Drug Information ([www.medcohealth.com](http://www.medcohealth.com))

# Behavioral Health and the Employee Assistance Administrator

- **ValueOptions, Inc.** - Behavioral Health and the Employee Assistance Program
  - ✓ Benefits Remain the Same
  - ✓ ValueOptions national provider network includes more than 2,000 mental health professionals in Virginia
  - ✓ ValueOptions Provider Directory or the Web ([www.achievesolutions.net/tlc](http://www.achievesolutions.net/tlc))
  - ✓ New telephone number (1-866-725-0602)

# TLC Advantages

- Procurement Savings
- Multiple Plan Choices
- Shared Risk MEWA Concept
- Low Administrative Costs
  - 219,000 + Insureds with State and TLC

# More TLC Advantages

- Disease Management, EAP and Wellness Programs Included in All Plans
- Minimum Administrator Performance Standards
- Large Provider Networks
- BlueCard for Key Medical Plans
- No Referrals Required
- Substantial Network Discounts

# Even More TLC Advantages

- COBRA & HIPAA Advice
- Stable Premiums
- Stable Composition

100+ Original Group Members

95%+ Persistency

# Vendor Presentations

Anthem

Value Options

Medco

Delta Dental

# Financial Discussions and Other Fun Things

George Gibbs, CPA  
Financial Officer

# CommonHealth Presentation

The Wellness Program for the  
Commonwealth of Virginia  
and The Local Choice

# General Information and Discussion

- Renewal
- Handbooks
- Ordering Materials
- Qualifying Mid-Year Events (QMEs)
- Open Enrollment
- Extended Coverage (COBRA)

# Renewal Information

- Commitment by April 1, 2004
- 30 Day Response Extension Permitted with Written Request
- Extension Does Not Extend 90 Day Termination Notice Requirement

# Employer Renewal Data Sheet



**RETURN BY 4/1/04**

## THE LOCAL CHOICE HEALTH BENEFITS PROGRAM EMPLOYER RENEWAL DATA SHEET

Please complete all applicable information and return this sheet to the address shown below. You will receive a letter confirming the plan(s) to be offered and the monthly premiums for each plan.

You must order your enrollment materials using the attached Materials Order form. Fax your order to the number shown at the top of the order form.

1. Group Name \_\_\_\_\_

2. Effective Date: From \_\_\_\_\_ To \_\_\_\_\_

3. Number of Persons Eligible/Participating

	Eligible	Participating
Active Full Time Employees		
Active Part Time Employees		
COBRA Eligibles		
Retirees Not Eligible for Medicare		
Retirees Eligible for Medicare		

❖ Your definition of Full-Time Employee:

\_\_\_\_\_

❖ Your definition of Part-Time Employee (if covered):

\_\_\_\_\_

❖ Are members of your Governing Body eligible?

☐ Yes, as full-time    ☐ Yes, as part-time    ☐ No

❖ Have any of your definitions changed since your last renewal?

☐ Yes    ☐ No

The Local Choice Health Benefits Program  
Commonwealth of Virginia  
Department of Human Resource Management  
101 North 14<sup>th</sup> Street – 13<sup>th</sup> Floor  
Richmond, VA 23219  
Phone (804) 786-6460    Fax (804) 371-0231

# Employer Renewal Data Sheet

4. Benefit Plan(s) to be offered and Monthly Premium for Each Employee/Retiree. Please check the plan names. Enter the individual premium rates from your proposal for all selected plans, not the total monthly premium for your group.

Choose either the Standard Package or the Value Package. Both packages may not be offered. Then select HMO if offered/available.

	Standard Package		Value Package		HMO Plan
	<input type="checkbox"/> Key Advantage <input type="checkbox"/> Key Advantage Expanded	<input type="checkbox"/> Cost Alliance with Dental	<input type="checkbox"/> KeyShare <input type="checkbox"/> KeyShare Expanded	<input type="checkbox"/> Value Alliance with Dental	<input type="checkbox"/> Kaiser Permanente (Northern Virginia Only)
<b>Active</b>					
Single	\$	\$	\$	\$	\$
Employee +1	\$	\$	\$	\$	\$
Family	\$	\$	\$	\$	\$
<b>Retirees Not Eligible For Medicare</b>					
Single	\$	\$	\$	\$	\$
Employee +1	\$	\$	\$	\$	\$
Family	\$	\$	\$	\$	\$
<b>Retirees Eligible for Medicare</b>					
	<input type="checkbox"/> Advantage 65	<input type="checkbox"/> Advantage 65 with Dental/Vision	<input type="checkbox"/> Medicare Complementary		
Single	\$	\$	\$		

5. List Contributions:

Minimum Employer Contribution:

Full-Time, Single: 80% Part-Time, Single: 40% Additional Cost of Dependent Coverage (if required): 20%

No employer contribution is required for dependents if more than 75% of all eligible employees are enrolled.

	Single Employer / Employee		Dual Employer / Employee		Family Employer / Employee	
Active Full Time (FT)	\$	\$	\$	\$	\$	\$
Active Part Time	\$	\$	\$	\$	\$	\$
Retiree without Medicare	\$	\$	\$	\$	\$	\$
Retiree with Medicare	\$	\$	\$	\$	\$	\$

6. I hereby certify that the above information is correct to renew The Local Choice Health Benefits Program.

Group Executive Administrator (Signature Required)/Date

Print Name & Title

Telephone

Fax

Email

# Handbooks

- July 2000 and June 2002 Handbooks Are Current with Amendments
- As Our Supply Diminishes, We Will Go to Print on Demand Format
- We Will Amend for this Plan Year

# Ordering Supplies



## Self Funded Plans Materials Order Form REVISED FEBRUARY 2004 PLEASE DESTROY ALL PRIOR FORMS

FAX FORM TO: (804) 780-0198  
ALLOW TEN DAYS FOR DELIVERY OF MATERIALS

Enrollment Packages for Active and/or Retiree Not Eligible for Medicare					
STANDARD PACKAGE		Qty.	VALUE PACKAGE		Qty.
T20374	Key Advantage w/Expanded Benefits		T20377	KeyShare w/Expanded Benefits	
T20375	Key Advantage		T20378	KeyShare	
T20376	Cost Alliance with Dental		T20379	Value Alliance with Dental	
Retirees Eligible for Medicare			Miscellaneous		
T20380	Advantage 65		T20309	TLC Enrollment Form	
T20387	Dental/Vision Plan Offered With Advantage 65		990046	TLC Name & Address Change Form	
			T20391	Anthem 2004 Medical Provider Directory	
T20381	Medicare Complementary		110602	Anthem Claim Form	
Member Handbooks w/Notification of Changes			Notification of Changes Only		
T20072	Key Advantage		Key Advantage		
T20073	Key Advantage w/Expanded Benefits		Key Advantage w/Expanded Benefits		
T20075	Cost Alliance with Dental		Cost Alliance with Dental		
T20240	KeyShare w/Expanded Benefits		KeyShare w/Expanded Benefits		
T20241	KeyShare		KeyShare		
T20242	Value Alliance with Dental		Value Alliance with Dental		
T20078	Advantage 65		Advantage 65		
T20084	Medicare Dental/Vision		Medicare Dental/Vision		
T20076	Medicare Complementary		Medicare Complementary		

- To order ValueOptions materials, call 1-866-725-0602. You may also fax a request to 919-941-5242, Attn: Account Services.
- To order Delta Dental Plan of Virginia materials, call Terri Green at 1-800-237-6060 x 3370.
- To order Medco Health prescription drug forms below, call 1-800-316-9182:  
Medco Home Delivery Order Form (BW270)  
Medco Health Assessment Questionnaire (CMWPRF)  
Medco COB/Prescription Drug Claim Form (C3001)

Group Name	Date
Attention	Group #
Street Address (Do not use P.O. Box)	Telephone #
City, State and Zip	Fax #

For questions about materials ordered on this form, call (804) 354-4919  
Most items, including this order form, are available on the Web at:  
[www.thelocalchoice.state.va.us](http://www.thelocalchoice.state.va.us)

# Qualifying Mid-Year Events (QMEs)

Plan Rules Allow for Membership Changes  
if:

- Change in Employee's Employment Status
- Change in Employee's Marital Status
- Change in Employee's Number of Eligible Dependents
- Other Changes

(See Handout)

# Open Enrollment

- Open Enrollment Highly Recommend
- Select 30 Day Period Between April 1 and May 15
- Only Opportunity to Make Plan Changes Without QME
- Only Opportunity to Make Membership Changes Without QME

# Extended Coverage (COBRA)

- Reminder: To Conform to Federal Guidelines, Extended Coverage Is Available to TLC Groups with 20 + Employees During Prior Year
- Part-Time Employees Are Proportional
- Group Must Track Duration and Remit Premium

# Training Opportunities

- COBRA
- HIPAA
- TLC General Administration
- Other Training Suggestions

## **Medical and Vision**

Anthem Blue Cross and Blue Shield  
(804) 355-8506 in Richmond or  
1-800-552-2682 outside Richmond  
[www.anthem.com](http://www.anthem.com)

- **Dental**

Delta Dental Plan of Virginia  
1-888-335-8296  
• [www.deltadentalva.com](http://www.deltadentalva.com)

- **Behavioral Health**

ValueOptions, Inc.  
1-866-725-0602

[www.achievesolutions.net/tlc](http://www.achievesolutions.net/tlc)

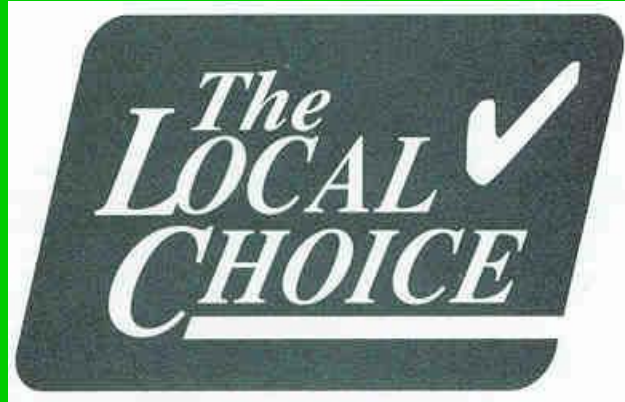
- **Prescription Drugs**

Medco Health Solutions, Inc.  
1-800-355-8279  
[www.medcohealth.com](http://www.medcohealth.com)

# For More Information

- TLC Web site,  
[www.thelocalchoice.virginia.gov](http://www.thelocalchoice.virginia.gov)
- Call TLC, (804) 786-6460
- e-Mail,  
[wnorman@dhrm.virginia.gov](mailto:wnorman@dhrm.virginia.gov)





Questions?